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OLC 75-1493  
25 June 1975

DDI-1753-75

MEMORANDUM FOR THE RECORD

SUBJECT: DCI Briefing of the Subcommittee on Priorities and  
Economy in Government of the Joint Economic  
Committee - 18 June 1975

1. The Director met with the Subcommittee on Priorities and Economy in Government, Joint Economic Committee, to brief them on Soviet and Chinese economies. The meeting lasted from 1420 to 1745 hours. A technical sweep of the room, 5302 Dirksen Senate Office Building, was conducted; the room was not kept under technical monitoring throughout. A transcript was taken. The briefing included Secret material.

2. Present from the Subcommittee were:

Senator William Proxmire (D., Wis.), Chairman  
Representative Garry Brown (R., Mich.)

3. Present from the Subcommittee staff were:

Richard Kaufman, General Counsel  
Ronald L. Tammen  
George Krumbhaar, Minority Counsel

4. Accompanying the Director were:

Edward W. Proctor, DDI

[redacted] NIO

[redacted] OSR

[redacted] OER

[redacted] III, OER

George L. Cary, Legislative Counsel

5. The Director briefed the Subcommittee using his prepared text. Senator Proxmire and Representative Brown asked a number of questions during and after the Director's prepared remarks. Toward the end of the session, Senator Proxmire asked the Director about the role of the military in intelligence production and referred specifically to General Graham's article in Army Times several years ago in which he asserted concern that

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the military was not exerting enough influence in the intelligence process. Following this the Senator asked the Director about reports he had received that a paper was being circulated in DIA regarding the takeover of human resources by the military. The Director said he was not aware of the existence of such a paper. Senator Proxmire then asked if the current turmoil over the Agency had created problems for us from an analytical standpoint. Both the Director and Mr. Proctor said that the situation obviously had an effect on our employees and on their morale but it had not yet affected the quality of our intelligence product. Senator Proxmire then initiated a discussion about current allegations with respect to past Agency activities which resulted in a lively exchange with the Senator being rather critical of our covert activities and Representative Brown being rather supportive of the need for the conduct of sensitive activities.

6. The Senator then asked the Director why the Agency and DOD did not publish their estimates so there would be no question of any disparity between the two. The Director answered this largely on the basis of the problem of sensitive sources and methods.

7. Follow-up Actions:

a. Provide follow-up figures on gross comparisons between the Soviet budget in rubles and the U.S. budget, also in rubles.

b. Any assumptions we can make about future Soviet weapon systems (Mr. Proctor indicated that any projection we might make in this connection would be limited to the next two years).

c. Explain the difference between the cost estimates of the Soviets MIG-23 at \$3 million and the U.S. F-15 at \$15 million when they are essentially the same size aircraft.

d. When did the Agency first estimate that the Soviets would have a MIRV capability and when did they actually have that capability?

e. Provide a paper with more detail on Soviet military personnel costs.

f. Can we confirm that the MIG-21 we have tested has low maintenance costs? How does that cost square with our estimate of maintenance costs for the MIG-23?


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g. Provide, when it is completed this fall, a copy of the Agency estimates of Soviet defense activity, in dollars.

h. Explain the discrepancy between the estimates and actual date of Soviet MIRV deployment. Are Agency estimates different or more accurate than the Pentagon's?



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 George L. Cary  
Legislative Counsel

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